

# C/CAG

## CITY/COUNTY ASSOCIATION OF GOVERNMENTS OF SAN MATEO COUNTY

*Atherton • Belmont • Brisbane • Burlingame • Colma • Daly City • East Palo Alto • Foster City • Half Moon Bay • Hillsborough • Menlo Park  
Millbrae • Pacifica • Portola Valley • Redwood City • San Bruno • San Carlos • San Mateo • San Mateo County • South San Francisco • Woodside*

## AGENDA

The next meeting of the Legislative Committee  
will be as follows.

**Date:** Thursday, February 10, 2005 – 5:00 p.m. to  
7:00 p.m. (sandwiches will be served)  
**Place:** San Mateo County Transit District Office<sup>1</sup>  
1250 San Carlos Avenue  
4<sup>th</sup> Floor Dining Room  
San Carlos, California

PLEASE CALL WALTER MARTONE (599-1465) IF YOU ARE UNABLE TO ATTEND.

- |    |  |   |                        |
|----|--|---|------------------------|
| 1. | PUBLIC COMMENT ON ITEMS NOT ON<br>THE AGENDA | Presentation is<br>limited to 3<br>minutes. | 5:00 p.m.<br>(5 mins.) |
|----|--|---|------------------------|

### REGULAR AGENDA

- |    |  |   |                                   |                        |
|----|--|---|-----------------------------------|------------------------|
| 2. | Minutes of the meeting of<br>January 13, 2005  | Action<br>(Martone)                             | Pages 1-3                         | 5:05 p.m.<br>(5 mins)  |
| 3. | Update from C/CAG's Lobbyist in<br>Sacramento (via conference call).<br><br>A position may be taken on any<br>legislation, including legislation not<br>previously identified. | Potential Action<br>(Wes Lujan &<br>Chuck Cole) | Oral report<br>and pages 5-<br>16 | 5:10 p.m.<br>(40 mins) |
| 4. | Review and approval of a position<br>supporting the protection of water<br>resources for the Bay Area.   | Action<br>(Napier &<br>Martone)                 | Pages 17                          | 5:50 p.m.<br>(15 mins) |
| 5. | Review and approval of the C/CAG Board<br>State Legislative Priorities for the 2005<br>State Legislation Session.  | Action<br>(Napier &<br>Martone)                 | Pages 19-28                       | 6:05 p.m.<br>(20 mins) |

---

<sup>1</sup>From Route 101 take the Holly Street (west) exit. Two blocks past El Camino Real go left on Walnut. The entrance to the parking lot is at the end of the block on the left, immediately before the ramp that goes under the building. Enter the parking lot by driving between the buildings and making a left into the elevated lot. Follow the signs up to the levels for public parking.

For public transit access use SamTrans Bus lines 390, 391, 292, KX, PX, RX, or take CalTrain to the San Carlos Station and walk two blocks up San Carlos Avenue.

- |    |  |                |              |                    |
|----|--|----------------|--------------|--------------------|
| 6. | Establish date and time for next meeting (March 10, 2005). | Action (Panza) | No materials | 6:25 p.m. (5 mins) |
| 7. | Adjournment.   | Action (Panza) | No materials | 6:30 p.m.          |

**NOTE: All items appearing on the agenda are subject to action by the Committee. Actions recommended by staff are subject to change by the Committee.**

Other enclosures/Correspondence

- None

**CITY/COUNTY ASSOCIATION OF GOVERNMENTS  
LEGISLATIVE COMMITTEE**

**MINUTES  
MEETING OF JANUARY 13, 2005**

At 5:02 p.m. Chairman Lee Panza called the meeting to order in the Second Floor Auditorium at the San Mateo Transit District Office.

Members Attending: Chairman Lee Panza, Vice-Chair Sue Lempert, Deborah Gordon, Marc Hershman, Irene O'Connell, Joe Silva, Mike King, and Deborah Wilder.

Staff/ Guests Attending: Mary McMillan (County Manager's Office), Julie Lancelle (City Council - Pacifica), David Burruto (Speaker Pro Tem Leland Yee's Office), Richard Napier (C/CAG Executive Director), Brian Moura (City of San Carlos), Walter Martone (C/CAG Staff), Rosalie O'Mahony (C/CAG Member - Burlingame), Randy Rentschler (Metropolitan Transportation Commission), Bijan Sartipi (Caltrans), Nancy Blair (C/CAG Staff), Geoff Kline (C/CAG Staff).

**1. Public comment on items not on the agenda.**

- None

**2. Minutes of the Meeting of December 9, 2004.**

*Motion: To approve the minutes of December 9, 2004 as presented.  
Wilder/Hershman, unanimous.*

**3. Update from C/CAG's Lobbyist in Sacramento (via conference call).**

Wes Lujan reported:

- Regarding the Governor's proposed budget - all of the lobbies are opposing it. It contains elements of pension reform and less money for education than had been promised. The Governor appears to be keeping his promise to local governments not seek additional cuts beyond the \$1.3 billion that was negotiated last year. It is still unknown whether he intends to raid redevelopment funds. The League of Cities is preparing for the worst in this budget proposal.
- The Governor has indicated that he will push for reforms to the Proposition 98 education funding formula.
- The Democrats in the Legislature appear to have backed away from their campaign to raise new revenues. Various polls have shown that this position was not very popular with the voters.
- Assembly Speaker Nuñez and Senate President pro Tempore Perata are encouraging the Governor to stand up to special interests that are trying to influence the budget decisions.

- The Governor is considering a proposal to suspend Proposition 42 for the next two years and repay the borrowed funds over a 15-year period. He has indicated that this proposal may include a Constitution Amendment to restrict further borrowing from this funding source.
- Some of the transportation funds that will be the result of the selling of bonds may become available in approximately 15 months.
- The California Performance Review is showing only nominal budget savings as a result of the elimination/consolidation of various boards and commissions. The Governor however, has still indicated that he will propose a reorganization of State Government in order to make it function more efficiently.
- Senator Chesbro may be proposing a new bond measure to support parks.
- The Governor has indicated that he will call a special session of the Legislature in November if he does not get action on some of the proposals that he will be submitting to the Legislature. Reapportionment and redistricting are at the top of his list. There may be some room to negotiate a compromise on these items if the Governor is willing to support changes to the requirements for term limits.
- Although the Governor appears to not be targeting local governments for additional cutbacks, it is unknown whether the Legislature will follow suit.
- Advocation Staff have started discussion with Assemblymembers Harman and Mullin and the League of Cities, about sponsoring a bill similar to ACA 10 from the last Legislative Session. A meeting has been planned to develop a strategy for getting such a bill introduced. Advocation will also be working with the environmentalists on the Governor's staff to encourage support for such a bill, and to encourage them to develop support among Republican Legislators.
- Senator Campbell, together with the California Tax Association and the Howard Jarvis Tax Group, are sponsoring an Initiative to prevent future State deficits. It is feared that this Initiative will also rescind some existing fees and taxes.
- Finance Director Tom Campbell has been very involved with the negotiations on the budget. It was recommended that Advocation set up a meeting with Mr. Campbell by March in order to reacquaint him with San Mateo County elected officials and our issues.
- ACA 7 – This new bill will reduce the voting threshold for special taxes. So far there has been no action on this bill.

#### **4. Review and approval of Legislative score sheet for Legislators.**

Staff reported that the score sheet was redesigned to reflect the comments of the Legislative Committee. In the future the Committee will identify the items that were of most importance to C/CAG and then assign a weight to these items. The scoring will then reflect how our Legislators voted and helped in moving C/CAG's priorities.

*Motion: To approve Legislative Score Sheet as presented. Wilder/Lempert, unanimous.*

#### **5. Bay Bridge replacement design and financing.**

The discussion on this item included the following comments:

- The Metropolitan Transportation Commission (MTC) has adopted a set of principles related to the construction, design, and financing of the Bridge. The matter is now in the hands of the Governor and the Legislature.
- MTC does not believe that it will be cheaper and faster to start all over again with a new design for the Bridge. If the Skyway design had been selected originally, there may have been some cost savings; however at the time the cost estimates did not show that the Suspension Bridge design would be substantially more expensive. Now that this design has already passed much of the review and permit processes, it would be costly and time consuming to redo the process for a new design.
- The number one goal of Caltrans is to build a bridge as fast and cost effective as possible.
- Caltrans is confident that the Suspension Bridge can be built safely, but they have concerns about unforeseen construction issues that could result in time delays and further cost overruns. This particular design has never been built in a location where there are seismic issues and potential problems with connections to the Island and the rest of the Bridge structure.
- Caltrans feels that the Skyway can be completed by 2011 at a savings of \$300 to \$500 million, provided that the decision to proceed is reached soon.
- It is likely that the Bay Area will have some sort of a toll increase in order to pay part of the cost of the Bridge construction.
- Senator McClintock has been quoted as saying that it is time to re-look at the possibility of building a new southern crossing.

After discussion, the Committee generally agreed that the most important issues to C/CAG regarding this Bridge project are seismic safety, equitable cost sharing and not diverting any of the Regional Measure 2 funds to pay for the Bridge. By consensus the Committee decided to wait until the Governor and the Legislature has had more discussion on this matter and specific proposals are presented. The Legislative Committee will discuss this item further after some of this additional information becomes available.

**6. Review and approval of the C/CAG Board State Legislative Priorities for the 2005 State Legislative Session.**

Due to the fact that this item was to be discussed at the C/CAG Board Retreat, there was no discussion at the Legislative Committee meeting.

**7. Establish date and time for next meeting (February 10, 2005).**

The next meeting was set for February 10, 2005 at 5:00 p.m. in the Fourth Floor Dining Room at the San Mateo County Transit District Office.

**8. Adjournment.**

The meeting was adjourned at 5:59 p.m.



# **C/CAG AGENDA REPORT**

**Date:** February 10, 2005  
**To:** C/CAG Legislative Committee  
**From:** Richard Napier, C/CAG Executive Director  
**Subject:** REVIEW AND APPROVAL OF C/CAG LEGISLATIVE POSITIONS AND LEGISLATIVE UPDATE

(A position may be taken on any legislation, including legislation not previously identified).

(For further information contact Walter Martone at 599-1465 or Richard Napier at 599-1420)

---

## **RECOMMENDATION**

That the C/CAG Legislative Committee accept the attached report on State legislation.

## **FISCAL IMPACT**

Not applicable.

## **SOURCE OF FUNDS**

Not applicable.

## **BACKGROUND/DISCUSSION**

Attached is a list of the bills that are currently being tracked by the C/CAG Legislative Committee and the C/CAG Lobbyist. February 18<sup>th</sup> is the last day to introduce bills. No positions on current bills are being recommended at this time. After C/CAG adopts a list of legislative priorities for 2005, those bills that relate to the priorities will be considered for positions.

## **ATTACHMENTS**

- C/CAG Legislative Positions and Tracking of Bills.
- Action Report With Summary By Subject.





# C/CAG LEGISLATIVE POSITIONS AND TRACKING STATUS FOR 2005

Bill #	Author	Subject	C/CAG Position	Status	Location	Lobbyist Priority	Votes of San Mateo County Delegation * indicates a match with the C/CAG position. Abstentions/absences noted with "A."				
							Mullin	Ruskin	Yee	Simitian	Speier
Airport Land Use											
Bicycle and Pedestrian											
AB 56	Wolk	Bicycle Signals			Asm Trans						
Budget											
ACA1	Calderon	Two-year budget									
SCA 2	McClintock	General Fund expenditures exceeding budget			Sen Business & Finance						
Contracting											
Energy											
SB 1	Murray	Renewable energy			Sen Energy, Utilities, & Communications						
ERAF											
Housing											

Bill #	Author	Subject	C/CAG Position	Status	Location	Lobbyist Priority	Votes of San Mateo County Delegation * indicates a match with the C/CAG position. Abstentions/absences noted with "A"			
							Mullin	Ruskin	Yee	Simitian Speier
<b>Land Use Authority</b>										
SB 44	Kehoe	General Plans: air quality element			Sen Local Gov't					
<b>Local Government Finance</b>										
ACA 7	Nation	Special taxes: voter approval								
<b>Mandates</b>										
<b>Other Local Government Interest</b>										
SB 8	Soto	Political reform: conflicts of interest			Sen Elections, Reappointment, & Const. Amend					
<b>Property Tax</b>										
AB 62	Strickland	Renters' credit			Asm Rev & Tax					
SB 17	Escutia	Change in ownership			Sen Rev & Tax					
<b>Public Employees Compensation and Benefits</b>										
ACA 5	Richman	Retirement: defined contribution plan								

Bill #	Author	Subject	C/CAG Position	Status	Location	Lobbyist Priority	Votes of San Matco County Delegation * indicates a match with the C/CAG position. Abstentions/absences noted with "A"				
							Mullin	Ruskin	Yee	Similtian	Speier
ACAX 11	Richman	Retirement; defined contribution plan									
Redevelopment											
Sales & Use Tax											
Smart Growth											
Solid Waste and Recycling											
Stormwater Pollution Prevention											
Transportation - Roads											
Transportation - All Modes											
ACA 4	Plescica	Prop. 42 protection									
SR 8	Torlakson	Relative to transportation & housing									
Transportation - Transit											
Water											

Total # of bills introduced in the 2005-2006 session	410
Total # of bills that C/CAG reviewed and took positions on	
% of total bills that C/CAG took positions on	%
# of bills with no action taken	bills = %
Summary of C/CAG positions	
• Support	bills = %
• Oppose	bills = %
• Neutral	bills = %
• Request additional information	bills = %
• Watch	bills = %
Updated February 10, 2005	

**ACTION REPORT WITH SUMMARY BY SUBJECT****All Bills Tracked****Bicycle and Pedestrian****AB 56** (Wolk) Transportation: bicycles.

1 - 12/06/2004

**Status:**

01/06/2005 - ASM TRANS. Referred to Com. on TRANS.

**Calendar:****Summary:**

Existing law, until January 1, 2005, applies color-lighted bicycle symbols shown by official traffic control signals to operators of bicycles. Existing law authorizes those bicycle signals to be used only at locations that meet specified standards adopted by the Department of Transportation. This bill would extend those provisions indefinitely. Because this bill would expand the scope of an existing crime, the bill would impose a state-mandated local program. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Bicycle and Pedestrian	

**Budget****ACA 1** (Calderon) Two-Year Budget.

1 - 12/06/2004

**Status:**

12/07/2004 - ASM PRINT From printer. May be heard in committee January 6.

**Calendar:****Summary:**

The California Constitution requires that a budget be submitted by the Governor, and that a Budget Bill be passed by the Legislature, for each fiscal year. This measure would express the intent of the Legislature to enact the necessary statutory changes, and to propose to the people the necessary constitutional changes, to enact a budget for a two-year fiscal period.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Budget	

**SCA 2** (McClintock) Budget process.

1 - 12/06/2004

**Status:**

01/27/2005 - SEN B. &amp; F. To Coms. on B. &amp; F.R. and E., R. &amp; C.A.

**Calendar:****Summary:**

**ACTION REPORT WITH SUMMARY BY SUBJECT****All Bills Tracked**

The California Constitution provides that if, following the enactment of the Budget Bill, the Governor determines that, for that fiscal year, General Fund revenues will decline substantially below the estimate of General Fund revenues upon which the Budget Bill for that fiscal year was based, or that General Fund expenditures will increase substantially above that estimate of General Fund revenues, or both, the Governor may issue a proclamation declaring a fiscal emergency and cause the Legislature to assemble in special session . The proclamation is required to identify the nature of the fiscal emergency and be accompanied by proposed legislation to address the fiscal emergency . If the Legislature fails to pass and send to the Governor a bill or bills to address the fiscal emergency by the 45th day following the issuance of the proclamation, the Legislature is prohibited from acting on any other bill or adjourning for a joint recess, until that bill or those bills have been passed and sent to the Governor. This measure would eliminate these requirements . It would provide instead that if, following the enactment of the Budget Bill for the 2006-07 fiscal year or any subsequent fiscal year, the Governor determines that General Fund expenditures will exceed estimated General Fund revenues for that fiscal year, the Governor shall, by proclamation, reduce or eliminate one or more items of appropriation from the General Fund for that fiscal year as necessary to prevent General Fund expenditures from exceeding the estimate of General Fund revenues for that fiscal year . It would also require the Governor to suspend for that fiscal year the operation of any statute to the extent the reduction or elimination of an item of appropriation pursuant to this paragraph renders infeasible the operation of that statute . This measure would authorize the Legislature to cancel or amend any such action, pursuant to a specified procedure . This bill contains other related provisions and other existing laws .

<b>Organization</b>	<b>Assigned</b>	<b>Position</b>	<b>Priority</b>	<b>Subject</b>	<b>Groups</b>
<b>Office</b>	<b>Suboffice</b>	<b>Misc1</b>	<b>Misc2</b>		
C/CAG			3	Budget	

**Energy**

**SB 1 (Murray) Energy: renewable energy resources : California Renewables Portfolio Standard**

1 - 12/06/2004

**Status:** Program .

01/27/2005 - SEN E. U., & C. To Com. on E, U. & C.

**Calendar:**

**Summary**

Existing law requires the State Energy Resources Conservation and Development Commission (Energy Commission) to expand and accelerate development of alternative sources of energy, including solar resources . Existing law requires the Energy Commission, until January 1, 2006, and to the extent that funds are appropriated for that purpose in the annual Budget Act, to implement a grant program to accomplish specified goals, including making solar energy systems cost competitive with alternate forms of energy . This bill would establish the Solar Homes Peak Energy Procurement Subaccount within the Emerging Renewable Resources Account and would make the moneys therein available, upon appropriation by the Legislature, to fund the Solar Homes Peak Energy Procurement Program, which the bill would establish . The bill would require the Energy Commission to award rebates, and would authorize the Energy Commission to provide incentives, to support the installation of solar energy systems, as defined, on existing and new residential construction . The bill would require that the amounts collected to fund energy efficiency, renewable energy, and research, development, and demonstration be set at the levels established by the PUC for 2005, and would require that any moneys collected above those 2005 levels during 2006 and 2007 be transferred to the Solar Homes Peak Energy Procurement Subaccount . This bill contains other related provisions and other existing laws .

<b>Organization</b>	<b>Assigned</b>	<b>Position</b>	<b>Priority</b>	<b>Subject</b>	<b>Groups</b>
<b>Office</b>	<b>Suboffice</b>	<b>Misc1</b>	<b>Misc2</b>		
C/CAG			3	Energy	

**Land Use Authority**

**ACTION REPORT WITH SUMMARY BY SUBJECT****All Bills Tracked****SB 44 (Kehoe) General plans: air quality element.**

1 - 01/04/2005

**Status:**

01/27/2005 - SEN L. GOV. To Com. on L.GOV.

**Calendar:****Summary:**

Existing law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and of any land outside its boundaries that bears relation to its planning. The law requires the plan to include a specified land use element that designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, open space, and other categories of public and private uses of land. Existing law specifically requires the legislative body of each city and county within the jurisdictional boundaries of the San Joaquin Valley Air Pollution Control District to amend appropriate elements of its general plan to include specified information to improve air quality. This bill would make legislative findings and declarations regarding air pollution problems in this state. The bill additionally would require the legislative body of each city and county, other than those in the San Joaquin Valley Air Pollution Control District, to amend the appropriate elements of its general plan to include data and analysis, comprehensive goals, policies, and feasible implementation strategies to improve air quality no later than one year from the date specified for the next revision of its housing element. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
CACAG			3	Land Use Authority	

**Local Govt Finance****ACA 7 (Nation) Local governmental taxation: special taxes: voter approval.**

1 - 12/06/2004

**Status:**

12/07/2004 - ASM PRINT From printer. May be heard in committee January 6.

**Calendar:****Summary:**

The California Constitution conditions the imposition of a special tax by a city, county, or special district upon the approval of 2/3 of the voters of the city, county, or special district voting on that tax, except that certain school entities may levy an ad valorem property tax for specified purposes with the approval of 55% of the voters within the jurisdiction of these entities. This measure would change the 2/3 voter-approval requirement for special taxes to instead authorize a city, county, or special district to impose a special tax with the approval of 55% of its voters voting on the tax. This measure would also make technical, nonsubstantive changes to these provisions.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
CACAG	Walter Martone		3	Local Govt Finance	

**Other Local Govt Interest****SB 8 (Soto) Political Reform Act of 1974: conflicts of interest.**

1 - 12/06/2004

**Status:**

01/27/2005 - SEN E., R. &amp; C. A. To Com. on E., R. &amp; C.A.

**Calendar:****Summary:**

**ACTION REPORT WITH SUMMARY BY SUBJECT****All Bills Tracked**

Existing law, the Political Reform Act of 1974 prohibits former members of a state administrative agency and former members of a district board, as defined, from representing any persons before the state administrative agency, or the district board, under specified conditions. This bill would also prohibit a local elected official, chief administrative officer of a county, city manager or administrator, or general manager or chief administrator of a special district, who held a position with a local government agency as defined, for a period of one year after leaving that office or employment, from acting as an agent or attorney for, or otherwise representing, for compensation, any other person, by appearing before, or communicating with, that local government agency, or any committee, subcommittee, or present member of that local government agency, or any officer or employee of the local government agency, if the appearance or communication is made for the purpose of influencing administrative or legislative action, or influencing any action or proceeding involving the issuance, amendment, awarding, or revocation of a permit, license, grant, or contract, or the sale or purchase of goods or property. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Other Local Govt Interest	

**Property Tax****AB 62 (Strickland) Property taxation: homeowner's property exemption: renters' credit.**

1 - 12/09/2004

**Status:**

01/06/2005 - ASM REV. &amp; TAX Referred to Com. on REV. &amp; TAX.

**Calendar:****Summary**

Existing property tax law provides, pursuant to a specified provision of the California Constitution, for a homeowners' property tax exemption in the amount of \$ 7,000 of the full value of a "dwelling," as defined. The California Constitution authorizes the Legislature to increase the amount of the exemption. This bill would, pursuant to the Legislature's authority under the California Constitution, increase the amount of this property tax exemption to \$25,000. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Property Tax	

**SB 17 (Escutia) Property Tax: Change in Ownership.**

1 - 12/06/2004

**Status:**

01/27/2005 - SEN REV. &amp; TAX To Com. on REV. &amp; TAX.

**Calendar:****Summary**



**ACTION REPORT WITH SUMMARY BY SUBJECT****All Bills Tracked**

The California Constitution generally limits ad valorem taxes on real property to 1% of the full cash value of that property. For purposes of this limitation, "full cash value" is defined as the assessor's valuation of real property as shown on the 1975-76 tax bill under "full cash value" or, thereafter, the appraised value of that real property when purchased, newly constructed, or a change in ownership has occurred. Existing property tax law specifies those circumstances in which the transfer of ownership interests in a corporation, partnership, limited liability company, or other legal entity results in a change in ownership of the real property owned by that entity, and generally provides that a change in ownership as so described occurs when a legal entity or other person obtains a controlling or majority ownership interest in the legal entity. Existing law also specifies other circumstances in which certain transfers of ownership interests in legal entities result in a change in ownership of the real property owned by those legal entities. This bill would instead specify that when ownership interests in a legal entity, as defined, are transferred, the real property directly or indirectly owned by that legal entity has changed ownership in proportion to that portion of the ownership interests in the entity that were transferred. This bill would also provide that all of the real property owned by a legal entity in the state has undergone a change in ownership when over 50% of the ownership interests in that entity have been transferred, as specified. This bill would also specify, in the case of a publicly traded company, that all of the real property owned by the company in the state has undergone a change in ownership when over 50% of the ownership interests in that company have been transferred. This bill would establish a rebuttable presumption that, as of January 1, 2006, and on January 1 of each 3rd fiscal year thereafter, all of the real property owned by a publicly traded company in the state has undergone a change in ownership. This bill would require local assessors to notify a publicly traded company of this presumption and allow an assessee or an assessor to rebut this presumption in a specified manner. This bill would also require the State Board of Equalization to promulgate regulations to implement these provisions. This bill contains other related provisions and other existing laws.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Property Tax	

**Public Employees Compensation****ACA 5 (Richman) Public retirement systems.**

1 - 12/06/2004

**Status:**

12/07/2004 - ASM PRINT From printer. May be heard in committee January 6.

**Calendar:****Summary:**

The California Constitution reserves a role for the elected officials of this state in the governance of public pension systems through several means, including the power to determine the appropriateness of retirement benefits for public employees. This measure would establish the California Public Employee Defined Contribution Plan. The measure would provide that on and after July 1, 2007, any person hired as a new employee by a public agency may enroll only in a defined contribution plan of a public pension or retirement system, and is prohibited from enrolling in a defined benefit plan, as defined. The measure would limit employer contributions to a defined contribution plan to an unspecified percentage of employer payroll, establish other parameters for defined contribution plans, and also set forth related findings of the Legislature. This bill contains other existing laws.

Organization	Assigned	Position	Priority	Subject	Groups
Office	Suboffice	Misc1	Misc2		
C/CAG	Walter Martone		3	Public Employees Compensation	

**ACAX1 1 (Richman) Public employee defined contribution plan.**

1 - 01/06/2005

**Status:**

01/07/2005 - ASM PRINT From printer.

**ACTION REPORT WITH SUMMARY BY SUBJECT****All Bills Tracked****Calendar:****Summary**

The California Constitution reserves a role for the elected officials of this state in the governance of public pension systems through several means, including the power to determine the appropriateness of retirement benefits for public employees. This measure would establish the California Public Employee Defined Contribution Plan. The measure would provide that on and after July 1, 2007, any person hired by a public agency may enroll only in a defined contribution plan of a public pension or retirement system, and is prohibited from enrolling in a defined benefit plan, as defined. The measure would permit an active member of a defined benefit plan, during a specified period, to transfer a sum equal to the member's interest in the defined benefit plan to a defined contribution plan.

<b>Organization</b>	<b>Assigned</b>	<b>Position</b>	<b>Priority</b>	<b>Subject</b>	<b>Groups</b>
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Public Employees Compensation	

**Transportation - Other****SR 8 (Torlakson) Relative to transportation and housing.**

1 - 01/11/2005

**Status:**

01/27/2005 - SEN T. &amp; H. Re-referred to Com. on T. &amp; H.

**Calendar:****Summary**

<b>Organization</b>	<b>Assigned</b>	<b>Position</b>	<b>Priority</b>	<b>Subject</b>	<b>Groups</b>
Office	Suboffice	Misc1	Misc2		
C/CAG			3	Transportation- Other	

**Transportation-All****ACA 4 (Plescia) Transportation Investment Fund**

1 - 12/06/2004

**Status:**

12/07/2004 - ASM PRINT From printer. May be heard in committee January 6.

**Calendar:****Summary**

Article XIX B of the California Constitution requires, commencing with the 2003-04 fiscal year, that sales taxes on motor vehicle fuel that are deposited into the General Fund be transferred to the Transportation Investment Fund for allocation to various transportation purposes. Article XIX B authorizes this transfer to the Transportation Investment Fund to be suspended in whole or in part for a fiscal year during a fiscal emergency pursuant to a proclamation by the Governor and the enactment of a statute by a 2/3 vote in each house of the Legislature if the statute does not contain any unrelated provision. This measure would delete the provision authorizing the Governor and the Legislature to suspend the transfer of revenues from the General Fund to the Transportation Investment Fund for a fiscal year during a fiscal emergency.

<b>Organization</b>	<b>Assigned</b>	<b>Position</b>	<b>Priority</b>	<b>Subject</b>	<b>Groups</b>
Office	Suboffice	Misc1	Misc2		
C/CAG	Walter Martone		3	Transportation All	

# **C/CAG AGENDA REPORT**

**Date:** February 10, 2005  
**To:** C/CAG Legislative Committee  
**From:** Richard Napier, Executive Director  
**Subject:** REVIEW AND APPROVAL OF A POSITION SUPPORTING THE PROTECTION OF WATER RESOURCES FOR THE BAY AREA

(For further information or questions contact Richard Napier at 599-1420 or Walter Martone at 599-1465)

---

## **RECOMMENDATION**

That the Legislative Committee consider recommending a position to the C/CAG Board on the protection of water resources for the Bay Area. There will be a presentation on this issue at the full C/CAG Board meeting on February 10<sup>th</sup>. The Legislative Committee may want to wait until its March meeting to make a recommendation so that the information from this presentation can be taken into consideration.

## **FISCAL IMPACT**

Unknown at this time.

## **SOURCE OF FUNDS**

Not applicable.

## **BACKGROUND/DISCUSSION**

The State Administration is undertaking a study to determine the feasibility and impacts of removing the Hetch-Hetchy Reservoir and restoring the valley. Any action as a result of this study could have very serious consequences for the stability of water and energy resources for the Bay Area. There will be a presentation on this issue at the full C/CAG Board meeting on February 10<sup>th</sup>. The Legislative Committee may want to wait until its March meeting to make a recommendation so that the information from this presentation can be taken into consideration.

## **ATTACHMENTS**

- None



# C/CAG AGENDA REPORT

**Date:** February 10, 2005  
**To:** C/CAG Legislative Committee  
**From:** Richard Napier, Executive Director  
**Subject:** REVIEW AND APPROVAL OF THE C/CAG BOARD STATE  
LEGISLATIVE PRIORITIES FOR THE 2005 STATE LEGISLATION  
SESSION  
  
(For further information or questions contact Richard Napier at 599-1420 or  
Walter Martone at 599-1465)

---

## RECOMMENDATION

That the C/CAG Legislative Committee approve the list of State legislative priorities for 2005 as attached to this report and recommend it for approval by the C/CAG Board.

## FISCAL IMPACT

Many of the priorities listed in the attached chart have the potential to greatly increase the fiscal resources available to C/CAG member agencies.

## SOURCE OF FUNDS

New legislation.

## BACKGROUND/DISCUSSION

Each year the C/CAG Board adopts a set of legislative priorities to provide direction to its Legislative Committee, staff, and its Lobbyist. The C/CAG Board in the past has established the following things that the priorities are intended to accomplish:

- Identify a clearly defined program with objectives at the beginning of the Legislative Session.
- Identify specific priorities to be accomplished for the Session by the Program and the Lobbyist.
- Limit the activities of C/CAG to areas where we can have the greatest impact.

The attached list was reviewed and amended by the C/CAG Legislative Committee on November 11<sup>th</sup>, and December 9<sup>th</sup>, and at the C/CAG Retreat on January 13<sup>th</sup>. Those changes are noted with ~~strikeouts~~ and bold underlining.

## ATTACHMENTS

- Proposed C/CAG Legislative Priorities for 2005.
- Preliminary survey results on Redevelopment Funds.



# PROPOSED C/CAG LEGISLATIVE PRIORITIES FOR 2005

Changes from the proposal presented in January are noted with **BOLD Underlining** for additions and Line outs for Deletions

Objective	Strategy	Relevant Bills	Priority
1. Secure stable funding to pay for increased NPDES mandates.	<ul style="list-style-type: none"> <li>• Support efforts to exempt NPDES from the super majority voting requirements.</li> <li>• Include NPDES as a priority for funding in new sources of revenues (i.e. water bonds).</li> <li>• Advocate for C/CAG and San Mateo County jurisdictions to be identified as a pilot project to receive earmarked funding.</li> <li>• Support efforts to reduce NPDES requirements as a way to stimulate business development <b><u>while still working to improve the quality of the Ocean, Bay, streams, creeks, and other waterways.</u></b></li> <li>• <b><u>Support efforts to reform the NPDES program while still working to improve the quality of the Ocean, Bay, streams, creeks, and other waterways.</u></b></li> <li>• <b><u>Support efforts to place the burden/ accountability of reporting, managing and meeting the NPDES requirements on the responsible source not the City or County.</u></b></li> <li>• Oppose efforts to require <b><u>quantitative limits and</u></b> Total Maximum Daily Load (TMDL) measures <b><u>and support other efforts to reform the NPDES Program.</u></b> since there <del>There are</del> <b><u>insufficient scientific methods to evaluate the benefits. of TMDL measures. For this reason C/CAG instead supports the implementation of Best Management Practices (BMP's) to the maximum extent practicable.</u></b></li> </ul>	<ul style="list-style-type: none"> <li>• Reintroduce, support and aggressively work for the passage of ACA 10 = <b><u>like legislation.</u></b></li> </ul>	ONE

<p><b>10 2.</b> Protect against the diversion of local revenues <u>including the protection of redevelopment funds and programs.</u></p>	<ul style="list-style-type: none"> <li>• Support League and CSAC Initiative to protect local revenues including interpretation and implementation of Proposition 1A.</li> <li>• <u>The 20% redevelopment housing set aside is the primary source of housing funds for cities and counties and must be protected and preserved.</u></li> </ul>		<b><u>TWO</u></b>
<p><b>2 3.</b> Encourage the State to protect transportation funding <u>and develop an equitable cost-sharing arrangement to pay for the construction of the Bay Bridge.</u></p>	<ul style="list-style-type: none"> <li>• Urge the State to restrict or eliminate transfer of State transportation funds to the State General Fund.</li> <li>• Urge the State to continue to pursue a solution to the Federal Ethanol tax problem.</li> <li>• Urge the State to pay back the previous loans within the next four years.</li> <li>• Urge the passing of legislation to close the Proposition 42 loophole that allows the State to borrow the funds at will.</li> <li>• Direct the C/CAG legislative advocate to monitor and advocate these positions.</li> <li>• <u>Oppose efforts to divert any of the Regional Measure 2 funds to pay for the Bay Bridge cost overruns.</u></li> <li>• <u>Work with Senate President Pro Tempore Don Perata and the Governor's Administration to support a plan that does not overburden the Bay Area.</u></li> </ul>		<b><u>THREE</u></b>
<p><b>3 4.</b> Guard the right of local jurisdictions to establish and enforce local land use policy (support the efforts of the League, but do not take an active role).</p>	<ul style="list-style-type: none"> <li>• Oppose efforts to limit the ability of local jurisdictions to determine appropriate land uses within its boundaries.</li> <li>• Support efforts that provide added flexibility to local jurisdictions so that they can implement smart growth programs.</li> </ul>		<b><u>FOUR</u></b>
<p><b>6 5.</b> Protect against increased local costs resulting from State action without 100% State reimbursement for the added costs.</p>	<ul style="list-style-type: none"> <li>• Ensure that there is real local representation on State Boards and Commissions that are establishing policies and requirements for local programs.</li> <li>• Advocate for the appointment of Administration Officials who are sensitive to the fiscal predicament faced</li> </ul>		<b><u>FIVE</u></b>



	by local jurisdictions. <ul style="list-style-type: none"> <li>• Oppose State action to dictate wage and benefits for local employees.</li> <li>• Oppose State action to restrict the ability of local jurisdictions to contract for services.</li> <li>• Advocate for State actions that are required to take into consideration the fiscal impact to local jurisdictions.</li> </ul>		
<b>§ 6.</b> Support lowering the 2/3 <sup>rd</sup> super majority vote for local special purpose taxes.	<ul style="list-style-type: none"> <li>• Support bills that reduce the vote requirement for special taxes such as public safety, infrastructure, and transportation.</li> <li>• Oppose bills that lower the threshold, but dictate beyond the special tax category, how locally generated funds can be spent.</li> <li>• Support bills that reduce the vote requirement for special taxes but increase the vote requirement for general taxes.</li> </ul>		<b><u>SIX</u></b>
<b>§ 7.</b> Support incentives for increasing low and moderate income housing stock, and oppose State housing mandates.	<ul style="list-style-type: none"> <li>• Support efforts to allow jurisdictions to contribute to affordable housing projects in other jurisdictions and receive State credit for the contribution.</li> <li>• Oppose State dictated criteria for the approval of housing.</li> <li>• Support incentives for housing that represent new funding.</li> <li>• Oppose redirecting existing revenues and adding new requirements.</li> <li>• Support efforts to give jurisdictions increased flexibility to meet housing needs.</li> </ul>		<b><u>CONTINUE DISCUSSION</u></b>
<b>§ 8.</b> Advocate for solutions to the State budget crisis.	<ul style="list-style-type: none"> <li>• Support measures to realign the property tax with property related services.</li> <li>• Support measures to ensure that local governments receive appropriate revenues to service local businesses.</li> <li>• Support measures to collect sales tax on Internet transactions.</li> <li>• Support expansion of the sales tax to personal and professional services.</li> <li>• Support new public sector retirement plans that cut costs and encourage</li> </ul>		<b><u>WATCH FOR LEGISLATION THAT MAY BE INTRODUCED ADDRESSING THESE ISSUES</u></b>

	<p>longevity.</p> <ul style="list-style-type: none"> <li>• Support efforts to restructure PERS to be more accountable to employers.</li> <li>• Support efforts to moderate increases in PERS/STRS employer contributions.</li> <li>• Support development of new revenue sources for safety retirement systems.</li> </ul>		
<del>11</del> 9. Support alternative energy initiatives <u>and monitor studies related to the elimination of the Hetch-Hetchy Reservoir.</u>	<ul style="list-style-type: none"> <li>• Support efforts to develop incentives for alternative energy and green building programs <u>including reclaimed water.</u></li> <li>• <u>Follow and support the efforts of the PUC to protect our water source.</u></li> </ul>		<b><u>FOLLOW BILLS THAT DEAL WITH THIS TOPIC</u></b>
7 10. Support congestion pricing as a tool to manage traffic congestion.	<ul style="list-style-type: none"> <li>• Support a congestion pricing demonstration on the Dumbarton Bridge (such as a high-occupancy-toll lane) to address traffic congestion in the 2020 Peninsula Gateway Corridor study area.</li> </ul>		<b><u>HOLD FOR FUTURE CONSIDERATION</u></b>
<del>8. Support efforts to develop a fair cost-sharing arrangement for the Bay Bridge cost overruns.</del>	<ul style="list-style-type: none"> <li><del>• Oppose efforts to divert any of the Regional Measure 2 funds to pay for the Bay Bridge cost overruns.</del></li> <li><del>• Work with Senate President Pro Tempore Don Perata and the Governor's Administration to support a plan that does not overburden the Bay Area.</del></li> </ul>		<b><u>COMBINED WITH OBJECTIVE 2</u></b>

# **C/CAG AGENDA REPORT**

**Date:** February 10, 2005  
**To:** C/CAG Legislative Committee  
**From:** Richard Napier, Executive Director  
**Subject:** SURVEY ON REDEVELOPMENT FUNDS

(For further information or questions contact Richard Napier at 599-1420 or  
Walter Martone at 599-1465)

---

## **RECOMMENDATION**

Information only.

## **FISCAL IMPACT**

Not applicable.

## **SOURCE OF FUNDS**

Not applicable.

## **BACKGROUND/DISCUSSION**

The proposed legislative priority # 7 is to "Support incentives for increasing low and moderate income housing stock, and oppose State housing mandates." Included as a potential strategy under this priority is to "Support efforts to allow jurisdictions to contribute to affordable housing projects in other jurisdictions and receive State credit for the contribution." The C/CAG Legislative Committee requested that Staff survey the various jurisdictions in the County to determine if this priority and strategy is of interest to them. Attached are the preliminary survey result from eleven of the jurisdictions.

## **ATTACHMENTS**

- Preliminary survey results on Redevelopment Funds



# **SURVEY ON REDEVELOPMENT FUNDS – JANUARY 2005**

Jurisdiction	Does your jurisdiction have uncommitted redevelopment funds?	If so, would your jurisdiction be potentially interested in contributing funds to another jurisdiction for the construction of low- and moderate-income housing, provided that your agency received some credit toward your housing element for the construction of this housing?	Would your jurisdiction be potentially interested in contributing funds to another jurisdiction for the construction of low- and moderate-income housing, even if your jurisdiction does not receive credit toward your housing element for the construction of this housing?	Does your jurisdiction have a housing element certified by the California Department of Housing and Community Development?	Has your jurisdiction met 40 percent of its very low and low-income housing needs?	What changes in current funding options, programs or law would you recommend be pursued to provide an incentive to develop affordable housing?
Burlingame	No	Not applicable	No	Yes	No	We would urge legislation that would allow smaller cities that don't have RDA money or their own share of CDBG funds to combine with other cities and to get credit for whatever they can create through those partnerships regardless of the jurisdiction that the housing is eventually created in. We understand that more "credit" may need to be given to the city that actually ends up hosting the affordable property, but a city like Burlingame with expensive land values and no funding, some credit is better than none.
Pacific	No	--	--	In process	No	
San Carlos	Yes	Yes	No	Yes	No	

Brisbane	No	We will have housing funds in future. It might make sense to work on a cooperative funding project.	Maybe, but less likely.	Yes	No. Work in progress.	
Woodside	Woodside has no redevelopment areas or funds.	--	--	Yes	--	
Daly City	No housing set aside funds currently available.	Yes	No	Yes	No	Rescind all State law regarding housing!
Portola Valley	No	Yes. We have other funds for BMR's.	No	Yes	--	
Redwood City	No	No. Our need too great.	No	Yes	Yes under Redevelopment Area No. 2	Additional flexibility related to (1) HUD noise standards for projects on transportation corridor, (2) relocation, (3) costs. Also, State must stop raids on City and Redevelopment funds.
San Bruno	Not now. The San Bruno RDA is relatively young and has not accumulated incremental funds.	Not now. Possibly in the future.	No	Yes	Yes	
Menlo Park	No	Maybe	No	No	Yes	<ul style="list-style-type: none"> <li>funding assistance per unit is too low in high cost markets like Menlo Park</li> <li>few funding sources targeted to ownership housing</li> </ul>
Foster City	Yes	No	No	Yes	Yes	